

FISCAL NOTE

HB 2718 - SB 2763

March 6, 2008

SUMMARY OF BILL: Enacts the *Tennessee Taxpayer and Citizen Protection Act of 2008*. Requires, in most circumstances, all identification documents issued by state and local governments to be issued only to United States citizens, nationals and legal permanent resident aliens. Denies eligibility for any postsecondary education benefit or resident tuition for any individual who is not lawfully present in the United States.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$99,800/One-Time
Exceeds \$200,000/Recurring

Increase Local Expenditures* – Exceeds \$100,000/One-Time
Exceeds \$100,000/Recurring

Assumptions:

- The Department of Safety will be required to make computer systems changes at an estimated one-time cost of \$24,800. Additional one-time costs to the Department include Driver License design changes (\$50,000), staff training (\$10,000) and (\$15,000) for the cost of providing information to the public concerning the required changes. The total one-time increase in state expenditures for such changes is \$99,800.
- Benefits under the Cover Tennessee program are not federally mandated and as a result would be subject to the provisions of the bill.
- The Cover Tennessee program will require two additional positions at a recurring cost of \$156,600 to comply with the verification provisions of the bill.
- The Department of Human Resources would be required to verify the status of new employees. It is estimated that the overtime required to perform such service will result in a recurring increase in state expenditures of \$9,100.
- K-12 schools and institutions of higher education only use identification cards for purposes that would be exempt under the provisions of this bill.

- One-time systems changes for local governments are estimated to exceed \$100,000 statewide.
- The federal status verification system (SAVE) will charge a \$25 fee per month for system access.
- There will be an increase in recurring expenditures exceeding \$85,500 for at least three computer links within each county of the 95 counties to access the SAVE program. The monthly fee for access is \$25 ($\$25 \times 95 \times 12 \times 3 = \$85,500$).
- There will be an increase in recurring state expenditures exceeding \$15,000 for at least 50 computer links to access the SAVE program. The monthly fee for access is \$25 ($\$25 \times 50 \times 12 = \$15,000$).
- Each query of the SAVE system will be subject to a fee of approximately \$0.25.
- There will be an increase in state and local government expenditures associated with such queries. Such increase is estimated to be less than \$100,000 to the state and less than \$100,000 to local governments.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/cce